US/SOVIET ARMS CONTROL TAIKS/ EAST WEST & US/SOVIET RELATIONS

PS LADY YOUNG

MR POWEIL NO.10 DOWNING STREET

PS/MR RENTCN

PS/PUS

SCLAMB.

MR THOMAS

MR BOYD

MR RATFORD

MR FALL

MR FEARN

HD/DEFENCE DEPT

HD/ACDD

HD/SOVIET DEPT

RESIDENT CLERK

MR D NICHOLLS DUS(P)

NPS DACU CDI

MOD

PLEASE ADD HD/NAD IF EAST/WEST DIST



19.11.8

CONFIDENTIAL

FM WASHINGTON

TO IMMEDIATE FCO

TELNO 808

OF 101240Z APRIL 87

INFO PRIORITY BONN, PARIS, UKDEL NATO, MOSCOW

ADVANCE COPY

SECRETARY OF STATE'S MEETING WITH SHULTZ, 9 APRIL: PRIME MINISTER'S VISIT TO MOSCOW
SUMMARY

- ACCOUNT BY THE SECRETARY OF STATE OF THE PRIME MINISTER'S VISIT TO MOSCOW. SHULTZ INTERESTED IN THE PRIME MINISTER'S VIEWS ON WHETHER GORBACHEV MIGHT BE TRYING TO CHANGE THE SOVIET SYSTEM AS OPPOSED TO MAKING IT WORK BETTER, AND IN HER IMPRESSIONS AND THOSE OF THE SECRETARY OF STATE OF OTHER SOVIET LEADERS.

 DETAIL
- THE SECRETARY OF STATE SAID THAT THE PRIME MINISTER AND HE HAD RETURNED FROM MOSCOW WITH THE IMPRESSION THAT GORBACHEV WAS GENUINELY TRYING TO MAKE CHANGES IN THE SOVIET UNION. GORBACHEV MIGHT BELIEVE THAT IMPLEMENTING INTERNAL REFORMS REQUIRED A TOLERABLE LEVEL OF STABILITY IN EXTERNAL RELATIONS. IF SO, WE SHOULD NOT STAND IN HIS WAY. THAT SAID, IMPROVING RELATIONS WITH THE SOVIET UNION WOULD BE A LONG HAUL, AS SHULTZ HAD NOTED IN HIS UCLA SPEECH IN SEPTEMBER 1984. THE RUSSIANS WOULD CONTINUE TO MISBEHAVE (THE SOVIET ESPIONAGE ATTACK ON THE US EMBASSY IN MOSCOW WAS A CURRENT CASE IN POINT) AND GORBACHEV WAS CLEARLY DETERMINED TO ADVANCE SOVIET INTERESTS. BUT WHEN PROBLEMS AROSE, IT WAS NECESSARY PATIENTLY TO WORK FOR THEIR RESOLUTION AND NOT PULL DOWN THE SHUTTERS ON EFFORTS TO IMPROVE EAST—WEST RELATIONS CENERALLY. SHULTZ SAID THAT HE AGREED WITH THIS LAST POINT. THE SOVIET ESPIONAGE ATTACK AGAINST THE US EMBASSY IN MOSCOW HAD

CREATED STRONG POLITICAL PRESSURES ON HIM TO CANCEL HIS VISIT TO MOSCOW. BUT THE PRESIDENT HAD DECIDED THAT HE SHOULD GO AHEAD. THE SECRETARY OF STATE SAID THAT MUCH OF THE SUCCESS OF THE PRIME MINISTER'S VISIT TO MOSCOW HAD BERIVED FROM HER ABILITY TO BE PROFOUNDLY CRITICAL OF SOVIET POLICIES AND THE SOVIET SYSTEM, AND NOT TO COMPROMISE ON IMPORTANT ATSSUES, WHILE BUILDING A GOOD RELATIONSHIP WITH GORBACHEV. GORBACHEV HAD BEEN PREPARED TO LISTEN CAREFULLY TO WHAT THE PRIME MINISTER SAID AND TO RESPOND IN A GIVE AND TAKE MANNER. THE UNCENSORED BROADCAST OF HER TV INTERVIEW, THE ENTHUSIASM WITH WHICH CROWDS HAD GREETED HER DURING HER WALKABOUTS, AND THE LACK OF SOVIET COMPLAINTS ABOUT HER MEETINGS WITH SAKHAROV AND OTHER DISSIDENTS HAD BEEN REMARKABLE. THE SECRETARY OF STATE SAID THAT THE PRIME MINISTER HAD ESTABLISHED SOME POINTS OF AGREEMENT WITH GORBACHEY. THESE HAD INCLUDED AGREEMENT ON AN ARMS CONTROL AGENDA INCORPORATING THE CAMP DAVID PRIORITIES. BUT THERE HAD ALSO BEEN MANY POINTS OF DISAGREEMENT, FOR EXAMPLE ON THE LEGITIMACY OF NUCLEAR DETERRENCE (SHULTZ WONDERED HOW GORBACHEV COULD REALLY BELIEVE DETERRENCE WAS ILLEGITIMATE GIVEN THE SIZE OF SOVIET MILITARY

5. SHULTZ ASKED WHETHER THE PRIME MINISTER THOUGHT THAT GORBACHEV WAS TRYING TO MAKE AN UNWORKABLE SYSTEM WORK BETTER OR WHETHER HE MIGHT ACTUALLY BE TRYING TO CHANGE THE SYSTEM. THE SECRETARY OF STATE SAID THAT GORBACHEV HAD GIVEN THE IMPRESSION THAT HE WAS BEGINNING TO SEE THE WEAKNESSES OF THE SYSTEM (HE HAD TALKED OF DEVELOPING A SYSTEM OF PAYMENT FOR HEALTH CARE). BUT

RADICAL MEASURES OF REFORM WERE NOT YET ACTUALTLY BELNG CARRIED OUT. GORBACHEY'S FOCUS SEEMED TO BE LARGELY POLITICAL RATHER THAN ECONOMIC, IN CONTRAST TO THE APPROACHES OF THE HUNGARIAN AND CHINESE LEADERSHIPS. GORBACHEY TENDED TO TAKE A PHILOSOPHICAL APPROACH (HIS PLENUM SPEECH HAD BEEN VERY MUCH IN THIS MOULD) BUT MANY OF HIS PERCEPTIONS OF THE WORLD SEEMED TO BE BASED ON SOVIET MYTHOLOGY. FOR EXAMPLE, HE CLAIMED TO BELIEVE THE CIA PLOT THEORY OF THE KAL SHOOTDOWN. IT WAS HARD TO KNOW WHETHER HE REALLY SAW THINGS IN THIS WAY.

- SHULTZ ASKED WHETHER OTHER SOVIET LEADERS, FOR EXAMPLE.
 RYZHKOV, SHEVARDNADZE AND DOBRYNIN RESEMBLED GORBACHEV. THE
 SECRETARY OF STATE SAID THAT RYZHKOV APPEARED TO SHARE SOME OF
 GORBACHEV'S OPEN-MINDNESS BUT WAS MORE LIKELY TO COME UP WITH
 STOCK ANSWERS TO QUESTIONS ABOUT SUBJECTS OF WHICH HE HAD LITTLE
 EXPERIENCE, PARTICULARLY FOREIGN POLICY QUESTIONS. SHEVARDNADZE
 HAD GIVEN THE IMPRESSION, DURING THE SECRETARY OF STATE'S EIGHT
 HOURS OF TALKS WITH HIM IN MOSCOW, OF BEING OPEN, RELAXED, AND
 THOUGHTFUL. HE SEEMED TO BE ENGAGED IN A GENUINE PROCESS OF
 RE-EXAMINING SOVIET FOREIGN POLICY AND ASKING WHETHER SOVIET
 OBJECTIVES WERE THE RIGHT ONES AND WERE BEING PURSUED IN THE RIGHT
 WAY. DOBRYNIN HAD NOT PLAYED ANY SIGNIFICANT PART IN THE PRIME
 MINISTER'S VISIT TO MOSCOW.
- 6. SHULTZ WONDERED WHETHER HE MIGHT FIND, DURING HIS VISIT TO MOSCOW ON 13-15 APRIL, THAT HIS SOVIET INTERLOCUTORS WERE AS INTERESTED IN TRYING TO PERSUADE HIM GENERALLY OF THE IMPORTANCE OF THE NEW DRIVE FOR REFORM IN THE SOVIET UNION AS IN GOING THROUGH A DETAILED BUSINESS AGENDA. HE HAD TOLD THE RUSSIANS THAT HE WOULD LIKE TO DEVOTE A PART OF HIS VISIT TO A GENERAL DISCUSSION OF BROAD POLITICAL, ECONOMIC AND STRATEGIC ISSUES.

CONFIDENTIAL

CONFIDENTIFIAL

FM BANGKOK

TO HAMMEDINATE F C O

TELNO 239

OF 100630Z APRIML 87

YOUR TEL NO 195 : PRHAME MINNISTER'S VINSHT TO THE SOVIET UNION

- 1. THE THAM PRIME MINISTER, GENERAL PREM THINSULANONDA, MINISTED ME TO CALL ON HIM THIS MORNING (10 APRIL), TO DELINER THE PRIME MINISTER'S PERSONAL MESSAGE TO HIM SIN TUR.
- 2. PREM ASKED ME TO CONVEY TO THE PRIME MINNESTER HIS
 GRATEFUL THANKS, BOTH ON HIS OWN BEHALF AS WELL AS ON
 BEHALF OF THE THAN PEOPLE, FOR THE ACTION WHICH
 MRS THATCHER HAD TAKEN HIN MOSCOW HIN RANGEING WHITH GORBACHEV
 OUR CONCERN ABOUT SOVINET SUPPORT FOR THE VINETNAMESE
 OCCUPATION OF CAMBODINA. HE HAD FOR SOME TIME BEEN AT A
 LOSS TO KNOW HOW BEST TO SECURE MOVEMENT OVER THE CAMBODINAN
 HISSUE. NOW THAT THE SOVINET UNKNOW WAS AT LEAST PREPARED TO
 TALK ABOUT THE PROBLEM, HE AGREED THAT HAT WAS HAMPORTANT
 TO MARKENTARIN PRESSURE. HE FELT THAT THE PRIME MINNISTER'S
 VINSHIT HAD HELPED TO OPEN THE WAY AND WHEN HEIS FOREIGN
 MINISTER VINSHITED MOSCOW NEXT MONTH, ACM SHIDDHIM WOULD BE
 ABLE TO PURSUE THE MATTER FURTHER.
- 3. PREM WONDERED WHETHER WAT MINGHT BE POSSUBLE FOR THE UNITED STATES TO MAKE SHAMMELAR OVERTURES WAN MOSCOW. HE WOULD BE TALKING TO US AMBASSADOR BROWN ABOUT THIS ON BROWN'S RETURN FROM WASHINGTON (HIN ABOUT 6 WEEKS' THIME).

 WHAVE MENTHONED THIS TO THE US CHARGE HERE, WHO HAS TOLD ME THAT SHULTZ HAS SAND ON US TELEVISION THAT HE WILL BE RANKING CAMBODHA DURING HAS TALKS IN MOSCOW NEXT WEEK.
- 4. PREM SAND THAT HE WAS LOOKING FORWARD TO MEETING

 SHR GEOFFREY HOWE ON 22 APRIL. BECAUSE HE WOULD BE FACILING

 A NO-CONFIDENCE VOTE IN PARLHAMENT THAT DAY, HE ASKED THAT

 THE MEETING BE PUT FORWARD TO 0815. THIS HAS BEEN

 LINCORPORATED IN THE SECRETARY OF STATE'S PROGRAMME.

TONKIN BOHPAN 1136

SEAD
SOVET D
NEWS D
PS
PS IMPRENTON
PS | PUS
MR GILLMORE
MR MCLAREN

COPIES TO: PS/No. 10